

STATE BROADBAND GRANT AWARDS ANNOUNCED JUNE 28, 2023

ST. PAUL – The Minnesota Department of Employment and Economic Development (DEED) will award grants totaling \$66,869,009 to 30 projects in the eighth year of the Border-to-Border Broadband Development Grant program and pilot round of the Low-Density Broadband Grant Program. Grant dollars are matched by \$71,619,484 in private and local funds, for a total investment in broadband infrastructure of \$138,488,493.

The funding, which includes both federal and state funds approved during the 2022 legislative session, goes to broadband providers to build out broadband infrastructure to unserved and underserved locations across the state. All award winners will deliver internet service speeds above the 2026 state speed goal of 100/20 Mbps, and all award winners will participate in the FCC's Affordable Connectivity Program (ACP), which provides monthly service discounts to help low-income households pay for internet service. The following is a brief description of each of the grant projects awarded this round for Border-to-Border Broadband Development Grant Program and the Low-Density Pilot Broadband Program.

BORDER-TO-BORDER AWARDS:

Arvig (Tekstar) – Wright County Area Fiber Extension – GRANT \$879,747

This last-mile project will build to 256 households, farms and businesses throughout parts of rural Wright County. Thanks to a funding partnership with Wright County (\$439,873) and the State of Minnesota, Arvig will be able to extend its growing fiber network to these structures with internet speeds between 100 Mbps download and 20 Mbps upload to 10 Gbps download and 1 Gbps upload, meeting and exceeding Minnesota's 2026 state speed goal. The all fiber-to-the-premises construction will begin as soon as the grant is awarded and the environmental reviews are completed, and will be completed before December 2025, allowing these customers to receive the internet service they need and deserve. With the completion of this project, these rural Wright County residents will be able to run their own at home businesses and farms; work from home more efficiently; continue or pursue their education online with confidence; have better access to telehealth services; access more entertainment and stay connected with their friends and family.

Total eligible project cost is \$1,759,493 Local match is \$879,746

Arvig (Tekstar) - Sherburne County Area Fiber Extension - GRANT \$182,576

This last-mile project will build to 240 unserved households near the Travelers Country Club on the Mississippi River, southeast of Clearwater. Thanks to a funding partnership with Sherburne County (\$91,288) and the State of Minnesota, Arvig will be able to extend its growing fiber network to these structures with internet speeds between 100 Mbps download and 20 Mbps upload to 10 Gbps download and 1 Gbps upload, meeting and exceeding Minnesota's 2026 state speed goal. The all fiber-to-the-premises construction will begin as soon as the grant is awarded and the environmental reviews are completed, and will be completed before December 2025, allowing these customers to receive the internet service they need and deserve.

Total eligible project cost is \$456,440 Local match is \$273,864

Benton Cooperative Telephone – Benton County South of Trunk Highway 23 – GRANT \$2,988,275

This last-mile project will build to 836 households, businesses, farms, and community institutions in Glendorado Township and portions of Gilmanton, Maywood, Minden, and Saint George Townships that do not have access to high speed broadband located in Benton County. In a funding partnership with the State of Minnesota and Benton County (\$2,000,000 in ARPA funding), Benton Cooperative Telephone will improve unserved levels to a maximum of 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 speed goal. Building a fiber-to-the-premises network that provides advanced high-speed broadband services to households, business and farms will improve access to e-learning applications, agriculture enhancements including access to pricing, parts, and enabling precision agriculture tools. The broadband network will also improve access to rural health care resources and will stimulate the local area economy.

Total eligible project cost is \$8,537,928 Local match is \$5,549,653

Comcast-Xfinity – Comcast Washington County – GRANT \$2,908,829

This last-mile project will bring gigabit broadband service to 1,075 households, businesses and farms in Grant, Hugo, and Stillwater Township that currently receive inadequate speeds at an average of 10Mbps/1Mbps. In a funding partnership with Washington County (\$635,574), the City of Grant (\$150,000), and Stillwater Township (\$61,400), Comcast will extend its network throughout these communities and provide these residents 1.2 Gbps download and 200 Mbps upload, far exceeding Minnesota's 2026 state speed goal. Providing broadband service to this primarily unserved area will greatly improve the quality of life by enabling residents to expand their career pathways; access and engage in telehealth opportunities; pursue education; thrive in commercial farming, and more.

Total eligible project cost is \$8,472,372 Local match is \$5,563,543

Comcast-Xfinity – Comcast/City of Nowthen – GRANT \$2,549,413

This last-mile project will deploy broadband service to 1,227 households, farms, businesses, and community institutions in the City of Nowthen. In funding partnerships with the City of Nowthen (\$800,000) and Anoka County (\$150,000), Comcast will construct a network that will provide these residents 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 state speed goal. Providing broadband service to this primarily unserved area will greatly improve the community's quality of life by enabling residents to expand their career pathways; access and engage in telehealth opportunities; pursue education; thrive in commercial farming, and more - all while protecting the rural landscape that is a goal of the city. Importantly, 25% of the population of Nowthen is under age 19, and approximately 1,150 children attend school within three different school districts. As the local school districts explained in their letter of support, the children need access to high-speed, reliable broadband service, in order to participate fully in all educational experiences available to them.

Total eligible project cost is \$8,498,043 Local match is \$5,948,630

East Cental Energy – Isanti South – GRANT \$4,900,000

With funding support from the State of Minnesota and funding partnerships with Chisago County (\$2,000), Isanti County (\$39,600), North Branch Township (\$9,600), Lent Township (\$1,000) and the City of North Branch (\$100), East Central Energy will cover 1,990 passings to at least 100 Mbps download and 100 Mbps upload, and access to Gbps connectivity, exceeding Minnesota's 2026 state speed goal. A fiber-to-the-premises network will benefit households, businesses, and farms, furthering community and economic development by saving time, money, and other resources. A high-speed fiber network will provide critical e-learning access to students and training resources to businesses in the project area. 89.4% of businesses in Isanti County have fewer than 20 employees and will greatly benefit from ECE's affordable pricing model for small, local businesses. In addition to skills development and telework opportunities that reliable internet supports, ECE's fiber network will enable resource optimization for agricultural lands and managed vegetation through supporting the use of precision agriculture tools. The impacts of ECE's fiber-to-the-premises network will be felt throughout the community, supporting diverse strategies for community and economic development.

Total eligible project cost is \$18,267,826 Local match is \$13,367,826

Frontier – Wright County - City of Clearwater – GRANT \$829,800

In a partnership with Wright County (\$780,000), this last-mile fiber broadband project will provide 5 Gbps symmetrical service to 316 households, businesses, community anchor institutions and farms that are currently unserved or underserved. Frontier's project area primarily includes locations in the northernmost point of Wright County near Clearwater. In a funding partnership with the State of Minnesota and Wright County, Frontier will offer fiber broadband services at speeds as high as 5 Gbps download and 5 Gbps upload, exceeding Minnesota's 2026 state speed goal. Building a fiber-to-the-premises network that provides advanced, high-speed broadband services will improve access to critical school e-learning applications and rural healthcare resources while also making agricultural operations

more efficient and enhancing crop production through enabled precision agriculture tools. The broadband network will stimulate a more robust local area economy and will also improve the quality of life for area residents.

Total eligible project cost is \$2,766,000 Local match is \$1,936,200

Gardonville Cooperative Telephone – Carlos – GRANT \$665,950

This last-mile project will serve 122 households, businesses, home based businesses and telecommuters in the Alexandria area. In a funding partnership with the State of Minnesota, Gardonville Cooperative Telephone Association will improve unserved/underserved levels to 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 state speed goal. By enabling families to spend more time at home together and away from the office and school, this will enhance the quality of life in this neighborhood for years to come.

Total eligible project cost is \$1,479,884 Local match is \$813,934

Gardonville Cooperative Telephone – Buckskin – GRANT \$857,013

This last-mile project will serve 214 households, home based businesses and telecommuters in the Alexandria area. In a funding partnership with the State of Minnesota, Gardonville Cooperative Telephone Association will improve unserved levels to 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 state speed goal. Providing customers with adequate speeds to perform daily activities, along with improving their functionality, makes this project a great choice for a Border-to-Border Broadband Grant.

Total eligible project cost is \$1,904,474 Local match is \$1,047,461

Harmony Telephone Company – North Fountain Fiber-To-The-Premises GRANT – \$2,991,038

The North Fountain Fiber-To-The-Premises Project will serve 311 households, businesses, and farms in Fillmore County. In a funding partnership with the State of Minnesota, Harmony Telephone Company (HTC) will improve unserved levels to 1 Gbps download and 1 Gbps upload on their fiber network, exceeding the 2026 state speed goal. Building a fiber-to-the-premises network will improve access to education and healthcare services. It will also increase employment as businesses leverage this new network and telecommuting opportunities become available.

Total eligible project cost is \$7,477,595 Local match is \$4,486,557

Harmony Telephone Company – Rural Preston Fiber-To-The-Premises GRANT – \$1,044,436

The North Preston Rural Fiber-to-the-Premises Project will serve 68 households, businesses, and farms in the rural portions of Fillmore County. In a funding partnership with the State of Minnesota, Harmony

Telephone Company (HTC) will improve unserved levels to 1 Gbps download and 1 Gbps upload on their fiber network, exceeding the 2026 state speed goal. This network is vital to their rural community and economy.

Total eligible project cost is \$2,611,089 Local match is \$1,566,653

KM Telecom - Rural Byron & Salem Corners Fiber Build - GRANT \$1,931,046

This last-mile project in SE Minnesota will serve 221 households, businesses, farms, and community institutions. The project area is primary located in Olmsted County with partial coverage of Kalmer and Salem Townships. It also covers a small portion of Mantorville Township within Dodge County. In a funding partnership with the State of Minnesota, KMTelecom will offer up to 1 Gbps download and 1 Gpbs upload, exceeding the 2026 state speed goal. This rural fiber build is an extension of the gig-capable network currently serving Kasson, Mantorville, Rock Dell and surrounding rural areas. The improved network will provide the necessary high-speed broadband connectivity for these rural residents to finally experience reliable access to e-learning, telehealth, and telework. The network will also allow farming operations to increase their productivity and improve their access to the latest agricultural technologies.

Total eligible project cost is \$3,862,092 Local match is \$1,931,046

Koochiching County – Koochiching County International Falls Economic Development – GRANT \$77,300

This last-mile project will serve 13 businesses along an established trucking route that is heavily used to connect Highway 53 and Highway 11 E. It will also provide service to an area designated for economic development within the City of International Falls. Through a funding partnership with the State of Minnesota, Koochiching County (\$28,987), the City of International Falls (\$28,987) and Midco (\$57,974), the project area will become an attractive location for development where multimodal transportation options are needed to support business operations. Businesses along this corridor that have had no connectivity options will now have access to high-speed broadband service levels to symmetrical 5 Gbps speeds, making them able to compete in an economy that is becoming increasingly reliant on consistent, reliable and affordable broadband as a standard utility.

Total eligible project cost is \$193,248 Local match is \$115,948

Meeker Coop Light & Power – French Lake Township - Wright County – GRANT \$1,270,132

This last-mile project will serve 525 households, businesses and the French Lake Township Hall in central Minnesota, north of MN Highway 55. In a funding partnership with the State of Minnesota and Wright County (\$776,192), Meeker Coop Light & Power will improve an unserved/underserved area to superfast speeds of 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 state speed goal. Building a fiber-to-the-premises network that provides advanced, high-speed broadband services will

improve access to critical school e-learning applications while also making agricultural operations more efficient and enhancing crop production through enabled precision agriculture tools. In addition, the broadband network will improve access to health care resources and will stimulate a more robust local area economy.

Total eligible project cost is \$2,822,516 Local match is \$1,552,384

Meeker Coop Light & Power – Harrison Township – GRANT \$533,959

This last-mile project will serve 216 households, farms, businesses and community anchor institutions in central Minnesota, north of the city of Atwater. In a funding partnership with the State of Minnesota, Kandiyohi County (\$251,600) and Harrison Township (\$44,400), Meeker Coop Light & Power will improve unserved/underserved areas to super-fast speeds of 1 Gbps download and 1 Gbps upload. A fiber-to-the-premises network will ultimately improve the lives of all citizens of the area, lessening the "technological divide" between urban and rural areas.

Total eligible project cost is \$1,186,576 Local match is \$652,617

Midco – Midco Rural Independence – GRANT \$1,519,500

This last-mile project will serve 423 households, businesses, farms and community anchor institutions in rural Independence and Greenfield. In a funding partnership with the State of Minnesota and Hennepin County (\$250,000), Midco will improve unserved/underserved levels to symmetrical 5 Gbps speeds, exceeding Minnesota's 2026 state speed goal. Building a fiber-to-the-home network provides advanced, high-speed broadband services to households, businesses and farms, improves access to critical school e-learning and makes agricultural operations, business and government more efficient. The broadband network will improve access to rural health care resources and will stimulate a more robust local area economy.

Total eligible project cost is \$3,039,100 Local match is \$1,519,600

Midco - Midco May Township - GRANT \$1,580,300

This last-mile project will serve 575 households, businesses, farms and community anchor institutions in May Township. In a funding partnership with the State of Minnesota and Washington County (\$311,000), Midco will improve unserved/underserved levels to symmetrical 5 Gbps speeds, exceeding Minnesota's 2026 state speed goal. Building a fiber-to-the-home network provides advanced, high-speed broadband services to households, businesses and farms, improves access to critical school e-learning, and rural health care resources, and will stimulate a more robust local area economy.

Total eligible project cost is \$3,511,700 Local match is \$1,931,400

Otter Tail Telcom – South Battle Lake – GRANT \$2,331,792

This last-mile project will serve a total of 506 households, businesses, farms, and community anchor institutions in the South Battle Lake area. In a funding partnership with the State of Minnesota and Otter Tail County (\$233,179), Otter Tail Telcom will provide 1 Gbps download and 1 Gpbs upload broadband speeds, exceeding Minnesota's 2026 state speed goal. Building a fiber-to-the-premises network that provides advanced, high-speed broadband services to households, businesses and farms will improve access to critical school e-learning applications while also making agricultural operations more efficient and enhancing crop production through enabled precision agriculture tools. The broadband network will improve access to rural healthcare resources and will stimulate a more robust local area economy.

Total eligible project cost is \$4,663,585 Local match is \$2,331,793

Runestone Telephone Assoc. – Stearns County West Phase 2 – GRANT \$4,800,000

This last-mile fiber-to-the-home project will bring high-speed internet to 628 households, farms, businesses and anchor institutions within rural western Stearns County in Central Minnesota, improving the available broadband service speeds from under 25 Mbps to 1 Gbps, with room for future bandwidth needs. By partnering with the Office of Broadband Development, along with local county and township boards, Runestone Telephone Association has the opportunity to help this struggling community get connected to broadband. In an effort to deploy its allocated ARPA funds smartly and equitably, Stearns County has committed to investing over \$3.66 million dollars, including over \$100,000 from the seven Townships included in this project. Leaders of Stearns County recognize that there is an urgency to provide better broadband infrastructure to its citizens, and this project closely aligns with their goal of bringing high speed internet access to 100% of the county. Access to reliable internet is vital for famers in western Stearns County in adopting precision agriculture and automated technologies, which will improve food production and boost the local economy. It will also close the achievement gap by providing essential broadband internet to students who currently do not have access to reliable internet.

Total eligible project cost is \$12,123,378 Local match is \$7,323,378

SCI – Aitkin County Broadband Expansion – GRANT \$794,822

This last-mile project will serve 199 households and businesses in the townships of Balsam, Logan, Spalding, Turner and Workman with fiber-to-the-home. In a funding partnership with the State of Minnesota and Aitkin County (\$5,000), Savage Communications, Inc (SCI) will improve unserved/underserved to 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 speed goal. Building a fiber-to-the-home network that provides advanced, high speed broadband services to households and businesses will improve access to critical school e-learning applications, improve access to rural health care resources and will stimulate a more robust local area economy.

Total eligible project cost is \$1,589,644 Local match is \$794,822

SCI – Carlton County Broadband Expansion – GRANT \$1,271,835

This last-mile project will serve 503 households and businesses in the townships of Barnum, Eagle Lake, Lakeview and Moose Lake with fiber-to-the-home. In a funding partnership with the State of Minnesota and Carlton County (\$50,000), Savage Communications, Inc (SCI) will offer broadband service speeds to 1 Gbps download and 1 Gbps upload. This new network will improve access to critical school e-learning applications, improve access to health care resources and stimulate a more robust local economy.

Total eligible project cost is \$2,543,670 Local match is \$1,271,835

LOW-DENSITY PILOT PROGRAM AWARDS

702 Communications – Western Clay County Kragnes Township – GRANT \$2,624,830

This last-mile project will serve 369 households, businesses, and farms in rural Clay County. In a funding partnership with the State of Minnesota, 702 Communications will improve unserved/underserved levels to 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 state speed goal. Building a fiber-to-the-premises network that provides advanced, high-speed broadband services to households, businesses and farms improves access to critical school e-learning applications while also making agricultural operations more efficient and enhancing crop production through enabled precision agriculture tools. The broadband network will improve access to rural health care resources and will stimulate a more robust local area economy.

Total eligible project cost is \$3,499,773 Local match is \$874,943

Federated Rural Electric Assoc. – Jackson County Fiber-To-The-Premises – GRANT \$7,068,222

The Jackson County Fiber-To-The-Premises Project will serve 480 households, businesses, and farms in Jackson County. In a funding partnership with Jackson County (\$500,000) and the State of Minnesota, Federated Rural Electric Association will improve unserved levels to 1 Gbps download and 1 Gbps upload on their fiber network, exceeding the 2026 state speed goal. Building a fiber-to-the-premises network will improve access to education and health care services. It will also increase employment as businesses leverage this new network and telecommuting opportunities become available.

Total eligible project cost is \$10,097,460 Local match is \$3,029,238

Garden Valley Technologies – 2023 Rural Warren SW – GRANT \$1,488,322

This last-mile project will serve 96 unserved and underserved households, businesses, farms and community anchor institutions. These locations are located in northwest Minnesota and include portions of Farley, Keystone, Northland, Sandsville and Tabor Townships in Polk County and portions of Vega and Boxville Townships in Marshall County. In a funding partnership with the State of Minnesota, Garden Valley Technologies will improve unserved levels to 1 Gbps download and 1 Gbps upload,

exceeding Minnesota's 2026 state speed goal. Building this fiber-to-the-premises network and providing advanced high-speed broadband services to households, businesses, farms and community institutions will improve access to critical work from home opportunities within the region as well as making agricultural operations more efficient and enhancing crop production as well as making on-line education accessible to area students. The broadband network will improve access across multiple industries and will stimulate a more robust local area economy.

Total eligible project cost is \$1,984,430 Local match is \$496,108

Interstate Telecommunications Company – Yellow Medicine County West Fiber-To-The-Home Project – GRANT \$4,988,174

ITC's Yellow Medicine County West Fiber-To-The-Home last-mile project will construct a 100% fiber-to-the-premises broadband network with speeds capable of up to 1 Gbps download and 1 Gbps upload. The project will serve 483 locations in Yellow Medicine County. The project will improve the lives of the residential customers and will improve economic development opportunities for businesses and farms within the project area. The deployment of reliable fiber-optic high-speed internet will provide various home-based business options, as well as stimulate economic growth, agricultural innovation, and investment. From a quality-of-life perspective, the project will have benefits for people of all ages. Students can participate in e-learning initiatives and take advantage of world-class education opportunities from the comfort of their home. Working-age individuals will be able to telecommute and work for virtually any employer in the country, while maintaining the safety and quality of life that comes with living in rural Minnesota. Elderly residents will stay in their homes longer, thanks to technologies and applications enabled by the broadband infrastructure. All ages of people will be able to utilize telemedicine, resulting in quicker access to medical professionals and lower cost services.

Total eligible project cost is \$6,650,899 Local match is \$1,662,725

Meeker Coop Light & Power – Lake Elizabeth-East Lake Lillian Townships – GRANT \$1,428,066

This last-mile project will serve 185 households, farms, businesses and community anchor institutions in central Minnesota. In a funding partnership with the State of Minnesota, Kandiyohi County (\$148,125), Lake Elizabeth Township (\$20,800) and East Lake Lillian Township (\$19,000), Meeker Coop Light & Power will improve unserved/underserved area to speeds of 1 Gbps download and 1 Gbps upload, exceeding Minnesota's 2026 state speed goal. Building a fiber-to-the-premises network that provides advanced, high-speed broadband services improves access to critical school e-learning applications while also making agricultural operations more efficient and enhancing crop production through enabled precision agriculture tools. In addition, the broadband network will improve access to rural health care resources and will stimulate a more robust local area economy. A fiber-to-the-premises network will ultimately improve the lives of all citizens of the area, lessening the "technological divide" between urban and rural areas.

Total eligible project cost is \$1,904,088 Local match is \$476,022

Paul Bunyan Rural Telephone Coop – Paul Bunyan Communications Rural GigaZone Fiber – GRANT \$5,569,281

Paul Bunyan Communications will implement the St. Louis County GigaZone Fiber Expansion Project to bring high-speed, last-mile fiber-to-the-premises to at least 646 homes, businesses, farms, and community anchor institutions in two non-contiguous areas in rural St. Louis County. In a funding partnership with the State of Minnesota, Angora Township (\$33,104) and Balkan Township (\$42,157), Paul Bunyan Communications will improve unserved/underserved levels to 10 Gbps download and 10 Gbps upload, exceeding Minnesota's 2026 state speed goal. The work is in response to consumer demand and will provide relief in distressed areas that need new alternatives to diversify and strengthen the economy. The project will enable businesses to take advantage of online resources including training, marketing, and business support services. In addition, it will increase quality of life and opportunity for all residents by providing new avenues to pursue education, employment, social life, and entertainment. The project will also improve health and safety in the area by better connecting rural residents to healthcare and emergency services.

Total eligible project cost is \$7,526,055 Local match is \$1,956,774

Red River Rural Telephone Association – North Wilkin County – GRANT \$2,227,363

This last-mile project will serve 128 locations in North Wilkin County, located near Breckenridge and Foxhome. In a funding partnership with the State of Minnesota and Wilkin County (\$5,000), Red River Rural Telephone Association will improve broadband service levels to 1 Gbps download and 1 Gbps upload, with capacity for future 10 Gbps deployment. Expanding its fiber-to-the-premises network provides advanced, high-speed broadband services to households, businesses, and farms. This advanced broadband improves access to critical school e-learning applications while making agricultural operations more efficient and enhancing crop production through modern precision ag technology. In addition, the project will increase career opportunities in the area, improve access to healthcare, and provide improved public safety.

Total eligible project cost is \$2,969,817 Local match is \$742,454

Red River Rural Telephone Association – Rural Campbell – GRANT \$2,035,500

This last-mile project will upgrade approximately 86 unserved locations near the rural Doran and Campbell areas of Wilkin County. In a funding partnership with the State of Minnesota and Wilkin County (\$5,000), Red River Rural Telephone Association will improve broadband service levels to 1 Gbps download and 1 Gbps upload, exceeding 2026 state speed goal. Expanding its fiber-to-the-premises network provides advanced, high-speed broadband services to households, businesses, and farms. This advanced broadband improves access to critical school e-learning applications while making agricultural operations more efficient and enhancing crop production through modern precision ag technology. In addition, the project will increase career opportunities in the area, improve access to healthcare, and provide improved public safety.

Total eligible project cost is \$2,714,000 Local match is \$678,500

Wikstrom Telephone Company – Wiktel NW MN Broadband 2023 – GRANT \$2,531,488

Wikstrom Telephone Company (Wiktel) will serve rural, sparsely populated areas in Kittson and Marshall counties in far northwest Minnesota, passing 199 homes, businesses, and farms. This last-mile project, with very low density population, covers an unserved area with speeds up to 1 Gbps, exceeding the 2026 state speed goal, on a fiber-to-the-premises network. This partnership with the State of Minnesota will provide service to an area with less than 1 subscriber per route mile of cable, in several cases extending from routes placed under the 2022 Border-to-Border State Grant program. Broadband service is the key to economic development. Broadband service will stimulate a robust local area economy, provide critical e-learning education services for our children, precision agriculture, and allow at home health care monitoring in this remote area.

Total eligible project cost is \$3,375,318 Local match is \$843,830